

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
MIDDLE DISTRICT OF TENNESSEE

IN RE:)	
)	Case No. 17-07799
TADD WHOLESALE SUPPLY, LLC)	Chapter 11
)	Judge Marian F. Harrison
Debtor.)	

EXPEDITED MOTION FOR AUTHORITY TO SELL INVENTORY AT AUCTION

Comes the Debtor, through counsel, and respectfully moves this Honorable Court to grant them the authority to sell at auction certain inventory located at 1010 Maddox Simpson Parkway, Lebanon, Tennessee, 37090, pursuant to the terms and conditions set forth herein and, further, requests an expedited hearing thereon. In support thereof, the following would be shown unto the Court:

1) **RELIEF REQUESTED** - The Debtor requests authority to sell at auction certain inventory located at 1010 Maddox Simpson Parkway, Lebanon, Tennessee, 37090 free and clear of liens. The inventory consists of unsorted and unprocessed inventory purchased from Amazon Fulfillment Services, Inc. pursuant to the liquidation agreement that Debtor had in place with Amazon prior to filing for bankruptcy relief. Debtor has spreadsheets composed of shipping manifests contained in Excel format that more particularly describe the inventory. Those spreadsheets are available upon request. The auction shall be held on February 28, 2018, at a time to be determined. The inventory will be sold to the highest bidder and payment will be accepted in the form of cash, check, credit card or any other payment the Chief Restructuring Officer deems acceptable

2) **REASONS FOR URGENCY** - After appointment of a Chief Restructuring Officer, it has become apparent that the business model of the Debtor was not generating enough income to pay

creditors and a decision has been made to liquidate all inventory. A short term need arises to be able to have operating capital available to pay administrative expenses, and therefore this auction is being proposed on an expedited basis to keep the doors of the business open which a more complete and structured liquidation can take place.

Additionally, if the auction occurs as scheduled on February 28, 2018, then the premises will be emptied and evacuated and the Debtor can avoid the March lease payment and reduce administrative expenses.

3) ***PARTIES RECEIVING NOTICE*** - Notice of this Application will be sent to Kim Swafford, Assistant United States Trustee; Robert Scruggs, Attorney for BankTennessee, the secured creditor; and all other parties of record to receive notice electronically via the U.S. Bankruptcy Court's CM/ECF filing system, on February 2, 2018. Notice of this Application will be sent to the Debtor and all other creditors and parties-in-interest pursuant to the mailing matrix; by U.S. Mail, postage prepaid, on February 5, 2018.

4) ***PROPOSED HEARING DATE*** - The Debtor requests that this matter be heard on February 20, 2018, at 9:00 a.m., in Courtroom 3, Second Floor, Customs House, 701 Broadway, Nashville, Tennessee, or the next available date thereafter.

5) ***ARGUMENT*** - Debtor, Tadd Wholesale Supply, Inc., is the owner of the inventory located at 1010 Maddox Simpson Parkway, Lebanon, Tennessee, 37090. Prior to filing for bankruptcy relief the Debtor purchased liquidation inventory from Amazon and then resold the items online. Debtor was unable to keep up with the continued supply of inventory, which began to pile up without

processing and led to the filing of the instant case. After appointment of a Chief Restructuring Officer, it has become apparent that the business model of the Debtor was not generating enough income to pay creditors and a decision has been made to liquidate all inventory. A short term need arises to be able to have operating capital available to pay administrative expenses, and therefore this auction is being proposed on an expedited basis to keep the doors of the business open which a more complete and structured liquidation can take place. Additionally, if the auction occurs as scheduled on February 28, 2018, then the premises will be emptied and evacuated and the Debtor can avoid the March lease payment and reduce administrative expenses.

From the sale proceeds, the Debtors propose to pay the costs of the auctioneer, the ongoing administrative costs incurred by the Debtor and then to pay the secured creditors pursuant to lien priority.

Notice of the proposed sale is given pursuant to Rule 2002(a)(2) of the Federal Rules of Bankruptcy Procedure. The buyer will be the highest bidder for the inventory which may or may not be an insider as defined by Section 101(13) and Rule 2014 of the Bankruptcy Code. The sale shall represent an arms-length transaction between the parties, made without fraud, collusion, and no attempt will be made by either party to take any unfair advantage of the other. The buyer shall purchase the Property in good faith pursuant to 11 U.S.C. § 363(m).

The sale of the inventory shall be made free and clear of all liens.

WHEREFORE, the Debtor prays for the entry of an Order granting the relief sought herein, and that they be entitled to such other and further relief as is just.

Respectfully submitted,

LEFKOVITZ & LEFKOVITZ

/S/ STEVEN L. LEFKOVITZ

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CERTIFICATE OF SERVICE

I hereby certify that I have sent a true and exact copy of the foregoing to Kim Swafford, Assistant United States Trustee; Robert Scruggs, Attorney for BankTennessee, the secured creditor; and all other parties of record to receive notice electronically via the U.S. Bankruptcy Court's CM/ECF filing system, on February 5, 2018.

I further certify that I have sent a true and exact copy of the foregoing to the Debtor and all other creditors and parties-in-interest pursuant to the attached mailing matrix; by U.S. Mail, postage prepaid, on February 5, 2018.

/S/ STEVEN L. LEFKOVITZ

Steven L. Lefkovitz